

Behavioral Health Services (BHS) – Information Notice

To:	BHS Contracted Service Providers
From:	Behavioral Health Services
Date:	October 1, 2020
Title	IT Amendment Q&A

BHS recently allocated new funding to contracted service providers via an amendment for IT equipment purchases. The goal of this action is to increase the capability of contracted service providers to offer telehealth services to our clients. The funding source for the allocation is CARES Act revenue and must be spent by November 30, 2020. Below are answers to a series of questions that were posed to BHS regarding the use of these funds and how to invoice the costs.

Q: Budgets all included a 10% indirect rate. Can that indirect rate be adjusted to the agency's indirect rate?

A: Indirect rates may not be applied to reimbursement requests for expenses funded thru CARES Act revenue. BHS included a line item on the budget incorrectly titled "indirect rate" or "indirect cost." This 10% allocation was meant to serve as an estimation of direct and actual administrative costs that may be incurred in the acquisition of approved IT equipment purchases. Supporting documentation providing evidence of the actual administrative costs incurred must be submitted with all reimbursement requests. Additionally, any administrative costs requested for reimbursement through CARES Act funding may not also be included in either indirect or direct costs charged as part of your normal budget. For more information on CARES Act funding requirements, see <https://home.treasury.gov/>.

Q: Will indirect costs need to be "directly allocated" by virtue of specifically identified administrative personnel supported by time sheets, which will be subject to OMB audit? Or, will a more simplified allocation methodology be allowable?

A: Indirect costs may not be applied to reimbursement requests for items funded by CARES Act revenue. Only actual costs directly related to the administration of the approved IT purchases and supported with consistent and verifiable documentation may be submitted for reimbursement. On Schedule II, add a line item "FY 20/21 Cares Act Admin IT Costs" to track these costs. Contractors will be receiving an addendum to the allocation letter reflecting changes on administrative costs.

Q: The current budget deadline was Monday, September 28, 2020. Will the budget deadline be extended?

A: Yes. The budget deadline will be extended to Friday, October 9, 2020.

Q: What is the agency's responsibility if the client loses/breaks/does not return the item issued?

A: In the same manner as inventory is currently monitored, Contractors are required to have internal policies and procedures for managing their inventory, to include processes for lost, damaged, or irretrievable items. Guidance for client issued equipment shall follow all outlined procedures in the OPOH (Section J)/SUDPOH (Section F).

Q: The county used a pricing methodology that does not match our costs, with some items listed as higher than our cost and some lower. Is there flexibility with moving dollar amounts within this budget? Is the cost per item a guideline or a maximum?

A: The pricing methodology uses fair market value and provides a cost per item cap. Reimbursement requests should be at actual cost, or per item cap, whichever is lower. If you wish to purchase items above the cap, please contact your COR with justification and three quotes for review.

For More Information:

- Contact your Contracting Officer's Representative (COR)

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Q: Same question for item amounts. If we are trying to get 70 items but can only order 50 due to stock on hand, can we also change the quantity of items we purchase?

A: Any requested changes to approved items or quantities should be discussed with your COR.

Q: In terms of things like data cards, would we also be required to identify clients and distribute them by November 30? Gift cards and similar items are usually not claimed on invoices until distribution. Is there an exception for data cards?

A: Data cards must be purchased no later than November 30, with actual usage of data by December 30, and may be claimed on invoices at time of purchase. You are required to have an internal policy or process to ensure proper tracking of data card distribution.

Q: How will CARES Act funds for PPE and required tenant improvements due to COVID be handled? Will this be in separate amendments?

A: Yes, this will be included in a separate amendment.

Q: If we want to purchase an item with a cost only slightly above the item cap and are not asking for reimbursement for the cost above the cap then do we still need to obtain approval and quotes? Ex: laptop unit cost is \$1,710 but cost of the laptop is \$1,900.

A: If you are not seeking reimbursement for the amount over the cap, you are not required to notify the COR or obtain quotes. However, if you would like consideration for reimbursement above the cap, please contact your COR with justification and three quotes for review.

Q: Following the example above, if our cost for laptops is \$1900 versus unit cost of \$1,710, can the overage be reimbursed through our regular budget?

A: No, reimbursement for CARES Act purchases cannot be supplemented through your regular budget.

Q: Does the County provide guidance or requirements around tracking or distributing devices to clients?

A: Contractors are responsible for developing their own policy and procedure for tracking and distributing equipment to clients.

Q: Will purchases made this fiscal year for items included in the amendment but purchased prior to the date of the amendment be reimbursed or claimed under CARES Act?

A: If items purchased after March 27, 2020 but prior to the date of the amendment are included in the amendment allowable items and were purchased specifically in response to the COVID emergency, they may be submitted for reimbursement. However, if items were purchased as part of a normal purchasing cycle, i.e. normal computer refresh, they would not be eligible for reimbursement.

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Q: Is there an option to have the purchased client items be eventually given to participants, rather than borrowed by them?

A: Contractors are responsible for developing their own internal policies and procedures for equipment tracking. This should include appropriate processes for issuance of devices, as well as processes for making reasonable attempts to retrieve equipment when the contractor-client relationship ends. Additionally, regardless of success in retrieving equipment, the contractor should ensure policies and procedures for appropriate discontinuation of equipment service, i.e. turn off monthly plan, are in place for when client leaves contractor care.

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